



**WR-ALC/LEK**



# ***LE Partnership Day Contracting***

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# *Focus*

**WR-ALC/LEK**



- **Warfighter support is priority one**
- **Our purpose today is to lay the ground work to identify innovative ways to improve logistics support**



# ***Focus***

**WR-ALC/LEK**



- **Increased cooperation with our partners in industry**
- **Early industry involvement in acquisitions**
- **Incorporate industry best practices**
- **Build mutually beneficial relationships**



# *Challenges*

**WR-ALC/LEK**



- **Shorten acquisition lead time**
  - **Timely proposals**
  - **Catalog pricing, where feasible**



# *Challenges*

**WR-ALC/LEK**



- **AF Goal of 50% Commercial Contracts by FY05**
- **WR-ALC current level: 12.4%**
- **Sufficient price data for “fair and reasonable” determination**



# *Challenges*

**WR-ALC/LEK**



- **Timely delivery to support warfighters**
  - **Establish realistic schedules and meet them**
  - **83% of LE FY02 deliveries currently on-time**
  - **LE Goal of 90% on-time in FY03**



# *Challenges*

**WR-ALC/LEK**



- Refer to Line Item Delivery chart
- Refer to **Red/Yellow/Green** charts



# *Challenges*

**WR-ALC/LEK**



- **Shift from individual requirements to strategic sourcing**
  - **Leveraged buying power**
  - **Long-term agreements**
    - **Base year with options**
    - **Up to 10 years**





# *Challenges*

**WR-ALC/LEK**



- **Shift from contract awards to managing suppliers**
- **Essential to use Information Technology to expedite transactions**
  - **Paperless contracts**
  - **40% of total costs of purchasing comes from processing and managing the order**



# *Challenges*

**WR-ALC/LEK**



- **Increased emphasis on performance based service contracts**
- **Risk sharing with incentives**



# *LE Partnership Day*

**WR-ALC/LEK**



WANTED – from you



Creative ideas  for

Improved Logistics Support

How Government Can Be Better

Customer



# ***Summary Slide***

**WR-ALC/LEK**



- **Let's strengthen our partnership**
- **Open to suggestions and feedback**
- **Identify barriers to success**